



September 14, 2010

Dear State Representative,

On behalf of the Grand Rapids Area Chamber of Commerce (GRACC) and our 2,800 members, we ask you to consider the following in regard to **House Bill 6421**, a bill that seeks to modify reporting procedures for unclaimed property.

The following points are of concern:

- **Contracting third party auditors:** Historically, the Department of Treasury has contracted third party auditors to ensure businesses are in compliance with the unclaimed property reporting. The GRACC has concerns with third party auditors (who are typically paid a percentage fee) auditing businesses and assessing claims. *Our membership wants to ensure businesses are aware of compliance rules and regulations in advance and auditors are fairly assessing businesses.*
- **Failure to grandfather in current unclaimed property:** This legislation fails to allow current unclaimed property that may be on a business's report longer than three years to be grandfathered into the new compliance legislation.
- **Administrative costs of compliance:** Many companies have policies and procedures in place to report unclaimed or abandoned property. Significant changes in policy will increase the administrative workload on businesses. *Businesses will be asked to comply in one reporting period all unclaimed property that would not typically be reported for five, seven or sometimes fifteen years.*

The GRACC believes the best way to generate revenue is to ensure we have a business friendly climate that promotes job growth. Changing policies and procedures that increases unforeseen costs of compliance on businesses does not accomplish this goal.

The GRACC does not have an official position on this legislation; however we look forward to working with you to address these concerns. We are available to answer any questions you may have and can be reached at 616.771.0300.

Sincerely,

A handwritten signature in black ink, appearing to read "Andy Johnston".

Andy Johnston  
Director, Legislative Affairs

A handwritten signature in black ink, appearing to read "Chris Glass".

Chris Glass  
Public Policy Coordinator